

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

**Joint Application of Deer Haven, L.L.C
and PL Utilities, LLC for Acquisition
and Abandonment of Wastewater Assets**

**Public Meeting of January 29, 2026
3057204-TUS
Docket No. A-2025-3057204**

STATEMENT OF VICE CHAIR KIMBERLY BARROW

Before us for consideration is the Application of Deer Haven, L.L.C (Deer Haven)¹ filed on August 29, 2025, seeking Commission approval, *nunc pro tunc*, of Deer Haven's right to sell certain real estate to Pocono Lakefront, LLC (Pocono Lakefront)² in Palmyra Township, Pike County, Pennsylvania.³ The instant Application is a compliance filing regarding a Joint Application filed on June 18, 2024, by Deer Haven and Pocono Lakefront Utilities, LLC (PLU) (collectively Joint Applicants), seeking Commission approval of: (1) PLU's acquisition of certain wastewater system assets of Deer Haven; (2) the abandonment by Deer Haven of wastewater service to the public in Palmyra Township, Pike County, Pennsylvania; and (3) authorization of PLU to offer, render, furnish, or supply wastewater service to the public in a portion of Palmyra Township, Pike County, Pennsylvania.⁴

PLU averred it is technically and legally fit to operate the system. PLU stated that it has significant experience in the wastewater industry as it has constructed, owned, and operated the

¹ Deer Haven provides wastewater service to approximately 62 residential customers in a portion of Palmyra Township, Pike County, pursuant to its PUC certificate issued on March 25, 2010. Deer Haven started operating its wastewater facilities and providing service to the public in or around June 2004. The service territory is comprised of approximately 140 acres of land along the southeastern shore of Lake Wallenpaupack in Palmyra Township, Pike County.

² Pocono Lakefront is a Pennsylvania limited liability company with an address of 865 Route 507, Greentown, Pennsylvania 18426. Pocono Lakefront was formed in 2010 to develop property within the Deer Haven Property. The sole member of Pocono Lakefront is a trust formed by Jacob Goren.

³ On October 25, 2010, Deer Haven, Haven Development Company, LLC (Haven Development), and Pocono Lakefront entered into a Purchase and Sale Agreement (APA) for Pocono Lakefront to purchase the Property, consisting of approximately 84 acres of land, which included the land on which the Deer Haven WWTP and PLU WWTP are situated, from Deer Haven and Haven Development for \$2,500,000. Pocono Lakefront paid the \$2,500,000 purchase price to satisfy mortgages on the Deer Haven Property held by Deer Haven and Haven Development. An executed copy of the APA was provided in supplemental information filed with the Commission as the Joint Application's Attachment U.

⁴ By Order entered March 7, 2025 (March 7th Order), the Commission conditionally approved the Joint Application upon the filing of certain supplemental documentation, including the filing of the instant Application. The Joint Applicants assert that per the APA, Pocono Lakefront completed the purchase of the property and is the current owner of the property. Deer Haven sold utility plant-in-service without prior Commission approval. As a condition for approval of the Joint Application, the March 7th Order required that the Joint Applicants file the instant Application for Commission approval, *nunc pro tunc*.

PLU wastewater treatment plant (WWTP). PLU stated that it has reached an agreement with a certified operator to operate the PLU WWTP. Further, PLU noted that it will utilize its affiliate, Empire Industries, Inc. (Empire),⁵ for its administrative operations. Empire has been in business since 1976 and currently has over 50 employees. Finally, PLU averred it will contract with third-party vendors to assist with day-to-day wastewater system operations in compliance with all regulatory requirements. Importantly, PLU also indicated it has the financial fitness required for this transaction. PLU noted that the new WWTP cost over \$2.6 million to construct and was funded by the members of PLU in cash, evidencing its commitment to the success of the land development project served by PLU, and ultimately, the long-term financial viability of PLU itself.

In the Joint Application, Deer Haven noted that it currently has 62 customers with current rates averaging approximately \$46.60 per month for a residential customer. As a result, Deer Haven currently collects approximately \$34,000 per year from customers. However, PLU estimates annual expenses to operate the WWTP at approximately \$50,000 per year. In response to Staff data request, PLU averred this \$16,000 deficiency will be provided by its member, Jacob Goren, initially either by additional contributions to the LLC by Mr. Goren as its sole member or in the form of loans from Mr. Goren to the LLC. PLU also indicated that while Mr. Goren has the financial ability to cover the cost difference, at some point in the future, PLU will need to seek a rate increase to, *inter alia*, cover the cost of expenses.⁶

It is important to note that PLU plans to recover, *inter alia*, the difference in the cost of expenses to run the WWTP in the future. I find it very concerning that the cost of the WWTP is over \$2.6 million, excluding the cost of the land that will be allocated to the WWTP. The fact that revenues recovered from current rates are insufficient to cover the expenses to operate the WWTP makes me question how PLU plans on recovering the cost of the WWTP and other associated costs.

In response to a Staff data request, the Joint Applicants indicated that a proposed development in the requested territory would add another 218 equivalent dwelling units to the WWTP, however, it is unknown when the development will be constructed.

Therefore, I strongly urge the Joint Applicants to start thinking of creative ways to recover their costs without placing undue financial burdens on the existing Deer Haven customers.

January 29, 2026


Kimberly Barrow, Vice Chair

⁵ Empire is a corporation with a principal place of business located at 40 Warren Street, Paterson, New Jersey 07524. Empire is a multinational corporation with more than 50 employees, and it is averred that Empire is equipped with the necessary personnel to handle PLU's business needs. Empire manufactures and sells vanities, closets, and cabinets to meet the needs of showrooms and construction projects. Mr. Goren is Empire's President.

⁶ Deer Haven's last rate increase was over 14 years ago.